

REMARKS

Claims 1-20 are pending in the application. Independent claims 1, 13, and 17-20 have been amended herein. Favorable reconsideration of the application, as amended, is respectfully requested.

Applicant appreciates the Examiner's courtesy in providing a telephonic interview with Applicant's representatives on July 14, 2005, 2005. During the interview, the Applicant's representative pointed out perceived differences between the invention and the cited references. The Examiner pointed out the why he believed the Shin reference supported the claim limitations of "comparing orthogonal transformed coefficients of between at least two blocks" The Examiner also suggested that changing "of" to --between-- might distinguish the claimed invention from the cited art.

I. REJECTIONS OF CLAIMS 1-20 UNDER 35 U.S.C. § 103

Claims 1-20 stand rejected under 35 U.S.C. § 103(a) as being unpatentable based on various combinations of references. All rejections have in common U.S. Patent No. 6,037,984 ("Isnardi"), and U.S. Patent No. 6,415,042 ("Shin"). Applicants believe that all pending claims are allowable at least because the claimed *comparison between two blocks* is not believed to be shown by the Shin patent as the Examiner suggested during the telephonic interview. Withdrawal of the rejections is respectfully requested.

One of the features recited in independent claims 1, 13, and 17-20 is directed to embedding a digital watermark in a master image. Independent claims 1, 13, and 17-20 have been amended herein to clarify one of such the features. Specifically, independent claims 1, 13, and 17-20 now require, *inter alia*, "comparing orthogonal transformed coefficients *between at least two blocks* having a predetermined relationship with each other and making the coefficients satisfy a preset order of magnitude according to bit information specified as the digital watermark, so as to embed the bit information."

As the Office Action concedes, the Isnardi patent fails to teach or suggest the claimed comparison of orthogonal transformed coefficients. The Action cited the Shin patent as describing the claimed comparing feature. Applicant respectfully disagrees.

The Shin patent describes a technique that performs discrete wavelet transform to watermark an image. However, nothing in the Shin patent teaches or suggests *comparing orthogonal transformed coefficients between at least two blocks* having a predetermined relationship with each other and making the coefficients satisfy a preset order of magnitude according to bit information specified as the digital watermark. The Shin patent performs

discrete wavelet transform on an original image in units of blocks of MxM dots, and performs transform on an original signature image (to be watermarked) in units of blocks of NxN dots. However, it fails to teach or suggest comparing *orthogonal transformed coefficients between at least two blocks* which have a specific relationship with each other. The mere fact that the Shin system replaces and combines multiple-dot data (column 5, lines 40-52) does not teach or suggest the claimed *comparison between two blocks*, as the Examiner appreciated during the above-identified telephonic interview. Therefore, it is respectfully submitted that the Shin fails to cure the deficiencies of the Isnardi patent.

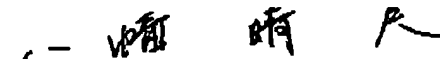
The remaining cited references, i.e., Bhaskaran, and Ohbuchi have been reviewed, and it is believed that they each fail to cure the deficiencies of the Isnardi patent.

In summary, Applicant finds nothing in the cited references that suggests the above-identified claimed features, i.e., comparison between at least two blocks. Therefore it is respectfully submitted that the invention defined in independent claims 1, 13, and 17-20, and their dependent claims is patentable over the cited art. Withdrawal of the rejections is respectfully requested.

II. CONCLUSION

Applicant believes that all pending claims are in condition for allowance, and respectfully requests a Notice of Allowance at an early date. If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 510-663-1100, ext. 245.

Respectfully submitted,
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Limited Recognition under 37 CFR § 10.9(b)

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